
Introduction

The Montana Youth Challenge Program (MYCP) was established in September 1999 to target youth with at-risk behaviors such as violence, alcohol and drug abuse, and criminal behavior. High school dropouts aged 16 – 18 years are targeted as at-risk youth. MYCP is a 22-week residential program in Dillon, Montana, followed by a 12-month community-based mentoring program. The Challenge program was established by the U.S. Congress in 1992 and has been adopted by approximately half of the states. The Department of Defense National Guard Bureau (NGB) is responsible for leading the program at the federal level. Montana's program is administered through the Department of Military Affairs.

Background

MYCP attempts to prevent, rather than treat, destructive behaviors. Challenge participation is voluntary and applicants must meet certain eligibility requirements, including being drug-free, not having previous felony convictions, and not being involved in ongoing court actions. MYCP strives to recruit approximately 100 cadets for each of the two classes held during the year (starting either in January or June). Since 1999, MYCP has graduated eleven classes and a total of 852 cadets (28 percent of cadets enrolled in the residential phase of the program have not graduated).

Program Administration

We identified three major administrative components for the Montana Youth Challenge Program (MYCP): funding, staffing and education. Our audit objective in relation to program administration was to determine how these components impact program effectiveness and successful attainment of goals and objectives.

Funding

MYCP operates with an annual budget of approximately \$2.8 million. Program funding is based on an annual target enrollment. The National Guard Bureau (NGB) established a funding mechanism based on an estimated cost per student of \$14,000 a year and a target enrollment of 200 students per year; therefore Montana's program is funded at \$2.8 million annually. We calculated program cost per day for the residential portion of MYCP. Based on average expenditures for fiscal years 2003 and 2004, the cost of a student to attend MYCP

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is approximately \$93 per day. The MYCP cost per day is relatively low when compared to other programs for at-risk youth.

Staffing

MYCP is authorized for 47 FTE positions, including management and administrative staff, teaching staff, counseling and health care staff, and cadre staff (responsible for supervision and physical training). The federal government defines the number of required staff for Challenge programs through use of the Manning Model, which sets a minimum of 43 and a maximum of 48 staff positions. The MYCP student/teacher ratio is the highest of the comparable programs we examined, but federal guidelines do not provide the latitude to make adjustments in the number of teachers employed.

Education Program

U.S. Code specifies the Youth Challenge program will teach eight core educational components and that every graduate will attain 80 percent proficiency in each area. The eight core components are:

- ▶ Academics (GED attainment)
- ▶ Leadership development
- ▶ Promoting fellowship
- ▶ Service to the community
- ▶ Life coping skills
- ▶ Job skills
- ▶ Physical fitness
- ▶ Health and hygiene.

The program employs five state-certified teachers. The four main subjects taught each day are: English, math, social studies, and science. MYCP works in conjunction with Jobs for Montana Graduates (JMG) to develop curriculum to meet the federal requirements of teaching the eight core components. Students are allowed to take the GED twice during the residential phase of the program. MYCP's goal is to achieve better than a 68 percent GED success rate. It achieves this goal with a current GED success rate of 71 percent of enrolled cadets and 97 percent of graduated cadets. In most areas, MYCP either meets or exceeds the educational targets established by itself and the NGB.

Recruitment

Every six months, MYCP must identify a sufficient number of recruits to meet the class capacity of the Dillon facilities (100 cadets). The program maintains a year-round recruitment effort using two FTE positions. At the national level, all state programs follow similar procedures during recruitment, including the enforcement of standard eligibility requirements and use of Pre-Challenge to screen and select applicants.

**MYCP Should Improve
Documentation of Eligibility
Review**

Applicants must meet ten eligibility requirements to be accepted to the program. Program staff review information in the application form to establish eligibility. Although MYCP generally ensures applicants meet established eligibility requirements, our file review indicated examples where determining compliance with requirements is difficult. Specifically, we identified examples of applicants who did not appear to meet age requirements or whose criminal conviction history was unclear. The program needs to improve the documentation of eligibility decisions by ensuring any documents or attachments used in support of an eligibility decision are retained.

**Representation of Montana's
At-Risk Youth**

MYCP targets its recruitment efforts at the state's high school drop outs. To determine how well MYCP targets this population, we obtained data from the program showing the demographic characteristics of recruits and compared this with data showing the characteristics of the state's at-risk population of high school drop outs. We also compared the demographic characteristics of MYCP recruits with NGB data for Challenge programs in other states.

**Gender and Racial Ethnicity
of MYCP Recruits**

Females constitute 45 percent of all Montana high school dropouts, but only 25 percent of MYCP participants. The military-style environment at the program serves to attract more males than females. However, Montana's program does reasonably well in recruitment of females when compared with other state Challenge programs (the national average for female recruits is 19 percent).

Overall, there do not appear to be any significant problems in the representation of different ethnic groups in MYCP recruitment data. For the state's largest ethnic minority, American Indians, the

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program appears to be recruiting numbers reflecting this groups' reported high school drop out rate.

Improvements in Analysis of Recruitment Data Needed

Around 2,000 students drop out of Montana's high schools every year, but analysis of the data shows drop out rates are higher in some high school districts as compared to others. MYCP does not currently use analysis of high school district drop out data to determine recruitment needs. Some disparities do exist in the geographic distribution of program applicants based on high school district drop out rates. The program could improve its recruitment effort by targeting resources based on high school district drop out rates.

Outcomes

MYCP attempts to measure success in both the residential and post-residential program phases. Short-term outcomes relate primarily to the program's success in graduating cadets at the end of the residential phase. Medium-term outcomes are assessed for the post-residential phase and include the employment and educational attainment of program graduates. Analysis of long-term outcomes includes discussion of employment and criminal history data for program participants.

Program Participation and Graduation

MYCP enforces rules of conduct and discipline, which can result in cadets being dismissed during the residential phase. The gradual loss of participants through the residential phase is referred to as the program's attrition rate. In percentage terms, 73 percent of applicants to the program are registered for Pre-Challenge. Eighty percent of participants in Pre-Challenge are selected to continue in the residential phase of the program. For those enrolled in the residential phase of the program, around 72 percent will complete the five month course and graduate.

MYCP Should Investigate American Indian Attrition Rates

Analysis of the racial ethnicity of program participants at different stages of Challenge showed one significant trend in attrition rates. As the program progresses through different phases, American Indian cadets are more likely to leave or be dismissed from MYCP as compared with other ethnic groups. Although 33 percent of program applicants are American Indians, this ethnic group

constitutes only 22 percent of the graduating class. Obtaining and analyzing data relating to American Indian participants could identify areas for improvement and allow the program to successfully serve more members of this group. Increasing the number of American Indian graduates would also allow MYCP to increase its graduation rate.

**Post-Residential and
Mentoring Phase**

During the 12-month post-residential phase, the graduate transitions back into the community from the structured residential portion. This is accomplished with the guidance of a mentor. Mentors are chosen by the student and approved by MYCP.

**Improvements Needed in
Documentation of Mentor
Screening Requirements**

MYCP is required to perform a criminal history background check for all potential mentors. Review of program files indicated the majority of files sampled contained documentation that a background check and references were used in the screening process. However, 13 percent of files did not have this documentation. Discussions with staff and our observations indicate that background checks and references are conducted on all potential mentors. The department should ensure MYCP adequately documents completion of all background checks.

Post-Residential Outcomes

Challenge defines a positive program outcome as placing a graduate either in an educational program, full or part-time employment, working for a voluntary or charitable organization, or serving in the military. Review of available data identified the following trends in outcomes:

- ▶ Military Service – around one quarter of MYCP graduates go on to serve in the military.
- ▶ Education and Employment – Approximately one half of all MYCP graduates continue their education or enter the workforce after leaving the program.
- ▶ No Placement or Unknown – the remaining one quarter of graduates have either not been placed or the program has lost contact with the individuals.

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Long-Term Outcome Data

As another means of assessing program outcomes, analysis of data from other state agencies can provide independent verification of the long-term impacts from MYCP participation. We obtained data showing quarterly wages and unemployment claims, and criminal conviction histories for MYCP participants.

Quarterly Wage and Unemployment Data

Data showing quarterly wages and claims for unemployment insurance benefits is collected by the Department of Labor and Industry. There is a trend pointing to the success of the program in increasing the employment and earnings potential of graduates. On average, MYCP graduates earn around \$220 more per quarter when compared with applicants rejected by the program, and almost twice as much as individuals who do not complete the residential phase. MYCP graduates have improved employment prospects compared with program participants who do not graduate.

Criminal Conviction History

The Department of Justice (DOJ) collects information on all criminal convictions recorded in Montana. We used DOJ data to determine if the program was successful in keeping at-risk youth out of the justice system. Eight percent of MYCP graduates have committed misdemeanor offenses and three percent have committed felony offenses since they left the program. When compared with rejected applicants and cadets terminated during the residential phase, MYCP graduates are less likely to commit crimes. MYCP graduates have fewer criminal convictions compared with program participants who do not graduate.

MYCP Could Improve Outcome Data Collection and Analysis

Programs like Challenge will encounter problems in collecting valid data on long-term outcomes and measures of success because contact with cadets cannot always be maintained beyond 12 months. This is often most difficult for negative outcomes, including unemployment and criminality. Program staff have indicated there are already some attempts underway to obtain data on long-term outcomes for graduates. These efforts should be continued so the program can provide the department and the legislature with valid and reliable indicators of program outcomes.

Legislative Guidance

MYCP currently has no basis in Montana statute, aside from its inclusion in the Department of Military Affairs biennial budgetary appropriation under House Bill 2. The HB 2 appropriation provides authority for the department to fund and manage the program on an ongoing basis. MYCP is not referenced in the Montana Code Annotated and the department has no statutory authority to adopt administrative rules governing the program.

**Legislature Should Provide
Statutory Guidance for
MYCP**

During the course of the audit, we identified several different program administrative or operational areas where guidance from the legislature could benefit MYCP. Some examples of these situations include:

- ▶ Treatment of applicants with criminal convictions.
- ▶ Equitable representation of different genders, ethnic groups and locations in recruitment.
- ▶ Defining high school drop out status and coordinating services with schools.
- ▶ Establishing state residency requirements.
- ▶ Determining if MYCP should meet state educational accreditation standards.
- ▶ Coordinating programs and resources with other state programs for at-risk youth.

MYCP has now been operating for over five years. As the program has developed, it has established its position relative to the state's other resources and programs for at-risk youth. The program is now at the point where further legislative involvement could provide clarification of existing policy and specific direction for the future. Establishing MYCP in Montana statute could provide benefits for program operations and could also benefit the state through improved coordination of resources for at-risk youth.